STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2001-40

March 5, 2001

BANGOR HYDRO-ELECTRIC COMPANY Short Term Energy Rates for Energy Purchases ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY OF DECISION

In this Order, we approve the Short Term Energy Only (STEO) rates filed by Bangor Hydro-Electric Company (BHE) on February 13, 2001 for the period March 1, 2001 through February 28, 2002. See Chapter 360 § 4(C)(2)(b).

II. PROCEDURAL HISTORY

On January 23, 2001, BHE filed its STEO rates for the period from March 1, 2001 through February 28, 2002. It filed revised rates on February 13, 2001 to correct several technical errors. On January 29, 2001, the Examiner issued a Notice of Proceeding setting forth a February 15, 2001 deadline for objections to BHE's proposed STEO rates. See Chapter 360 § 4(C)(2)(b)(ii). Counsel for Sebec Electric Limited Partnership (Sebec) filed a letter objecting only to the extent that BHE's filing could be read to indicate the rates established in this STEO rate proceeding "could affect the rates payable to Sebec under the 1984 Power Purchase Agreement between BHE and Sebec." The Examiner issued a procedural order in which she indicated her view that this letter was not intended as an objection to BHE's proposed STEO rates and that this view was confirmed in a telephone conversation with counsel for Sebec. The Examiner concluded that there were no objections to BHE's proposed rates.

III. DISCUSSION

Chapter 360 requires that each transmission and distribution utility that has a qualifying facility contract that incorporates or references Commission-established short term energy rates file proposed short-term energy rates for the 12-month period starting in March. The short term energy rates are calculated "as the sale prices accepted pursuant to the sale of the rights to the energy component of qualifying facilities contracts pursuant to 35-A M.R.S.A. § 3204(4) for each month during the 12-month period beginning March of that year." Chapter 360 § 4(C)(2)(b)(i). If no entity objects to the rates by February 15th, the rates will become effective March 1st unless suspended by the Commission or its Director of Technical Analysis.

No entity objected to BHE's proposed STEO rates. We have reviewed the revised rates filed by BHE on February 13, 2001 and find them to be consistent with the requirements of Chapter 360.

Accordingly, we

ORDER

That the short-term energy rates filed by BHE on February 13, 2001, attached hereto as Appendix A, are approved for the period March 1, 2001 through February 28, 2002.

Dated at Augusta, Maine, this 5th day of March, 2001.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
- 3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.